COMPLIANCE

KEY ISSUES

- Our regulatory approach is to prevent problems by providing information, support and guidance to help charities meet their obligations. However, the ACNC will act firmly where vulnerable people or significant charity assets are at risk.
- The most common themes for concerns received by the ACNC relate to alleged private benefit and mismanagement.
- Ahead of the 2025 election the ACNC received 194 concerns about charity advocacy, relating to 7 charities, compared to 446 concerning 39 charities in the lead up to the 2022 election.
- The ACNC continues to receive concerns about charity activities associated with the conflict in Gaza. No charities have had their registration revoked because of matters associated with the conflict.

KEY FACTS AND FIGURES

Compliance activities

	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
Investigations finalised	76	96	55	59	**74**
Reviews completed	24	55	50	52	**50**
Self-audits completed	28	37	41	8	**29**
Objections finalised	9	5	9	33	**4**
Self-evaluations distributed	N/A	316	310	102	**452**
Revocations for non-compliance	13	15	7	9	**22**
Referrals of charities to other agencies	71	41	46	52	**29**

Key Performance indicators

	Target	FY23/24	FY24/25
1.3 % of Investigations finalised within 90 business days of receiving all information necessary to make a decision **	75%	88%	88%

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1.4 When a charity is notified of an investigation, the % of investigations that result in a regulatory action	90%	97%	93%
1.5 % of self-audits that result in regulatory advice	Establish baseline	50%	(KPI removed)

** This performance measure changed in FY23/24.

From FY23/24 KPI 1.3 measures the % of investigations finalised within 90 days of receiving full information, once a charity has been notified of the investigation (target 75%). Prior to this, KPI 1.3 measured the % of investigations finalised within 12 months (target 75%).

The change was made to reflect the fact that investigation timeframes can depend on the complexity of the matters at hand – for very complex matters, a substantial amount of work may need to occur before a charity is notified of the fact of an investigation.

Concerns received

	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
Concerns received about charities	2,001	2,522	2,106	2,309	3,791
No. of charities concerns related to	1,190	1,192	1,186	1,342	1,640

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BACKGROUND

Concerns received FY24/25

- s 37
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Gaza conflict

Concerns

- s 22

- Overall, concerns are representative of the diverse views of the Australian public – with critiques of charities affiliated with both sides of the conflict.

	7 Oct 23 – 31 Dec 23	1 Jan 24 – 30 Jun 24	1 Jul 24 – 31 Dec 24	1 Jan 25 – 30 Jun 25	1 Jul 25 – 31 Aug 25	Total
No. of concerns about relating to Gaza conflict	s 22					
No. of charities concerns related to						

- Charities identified in concerns associated with the Gaza conflict have addresses for service in the following locations. Note that a charity's AFS may only represent its registered office/contact point – not necessarily where it exclusively operates.

	NSW	VIC	ACT	QLD	WA	Unknown
Total	s 22					

Investigations

- 13 charities have been subject to investigations resulting from concerns associated with the Gaza conflict. Of these:
  - 4 are on-going
  - 9 have been finalised:
    - 5 finalised with no action.
    - s 22
    - 2 charities were provided with regulatory advice.
- No charities have had their registration revoked because of concerns related to the Gaza conflict.

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Advocacy and the 2025 election

General requirements

- Advocacy can be a legitimate and effective way to further a charity's purpose, including during election periods.
- Charities can advocate for or oppose changes to laws, policies or practices, where doing so furthers its charitable purpose.
- Charities cannot have a purpose to promote or oppose a political party or a candidate for political office.
- Charities can compare or critique party policies, but must avoid explicit endorsements or telling people which party or candidate to vote for.
- Charities cannot engage in (or promote) unlawful activities under the guise of 'advocacy'.
- Charities must comply with electoral laws regarding disclosure of electoral or political expenditure if they engage in relevant activities.

2022 election vs. 2025 election

- s 22
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	FY21/22*	FY22/23	FY23/24	FY24/25*
No. of concerns about advocacy	s 22			
No. of charities concerns related to				

* Federal elections held in these years.

s 37, s 47E(d)

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s 37, s 47E(d)

The ACNC's compliance activities

Investigations	A formal investigation to assess a charity's governance against its obligations set out in the ACNC Act and ACNC Regulations. Initiated in response to a known or potential serious compliance breach.
Reviews	A short engagement with a charity in which we examine a particular issue or risk. Reviews are conducted based on a focus area we identify, and groups of charities are selected to participate.
Self-audits	Charities are asked to self-assess their governance practice and provide a response to the ACNC for review.
Regulatory advice / guidance	Tailored or generic advice to help charities understand and comply with their obligations under the ACNC Act.
Self-evaluations	Self-directed, available to all charities on the ACNC website. Helps charities assess whether they are meeting their obligations, and to identify issues that may prevent them from doing so.

Regulatory focus areas

Regulatory focus areas 25/26

- In 25/26 the ACNC will focus our attention on effective **record keeping** and ensuring that charities at an **increased risk of being misused for terrorism financing** understand their need to protect themselves in this regard.
- The ACNC is focusing on these areas because:
  - Appropriate records management is core to the operations of all charities, and is a fundamental legal obligation no matter a charity's size, complexity or maturity.
  - The ACNC has a role in supporting Australia's compliance with the Financial Action Task Force (FATF) obligations, including the 40 internationally agreed FATF standards aimed at guarding against money laundering and terrorist financing risks.
- Regulatory focus areas are chosen based on:
  - issues we have identified from concerns raised about charities
  - emerging trends or common failures that we see through
    - AIS submissions
    - Stakeholder engagement with the sector

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- Working with other regulators – from the commonwealth, state or territories and international peers.

Enduring compliance priorities

- The following matters are so serious that we will always regard them as a priority in our ongoing work:
  - conduct that harms people, particularly children and vulnerable adults
  - the misuse of a charity for terrorism purposes, or to foster extremism
  - financial mismanagement, including fraud and significant private benefit
  - charities operating in a way that indicates they have a disqualifying purpose and are not entitled to remain registered with the ACNC.
- Concerns raised with the ACNC about these types of matters are the ones that most commonly lead to investigations.

Compliance reviews

- Government provided specific funding to the ACNC to undertake a program of compliance reviews from 1 July 2020 – 31 December 2025 (requiring 20 to be completed in FY 20/21 and 50 in each subsequent year).
- The funding was provided in response to a recommendation made by the ANAO in 2020 noting that ACNC mainly relies on external parties to identify compliance concerns about charities. Funding reviews allow the ACNC to take a more proactive approach to identifying charity compliance risks.
- We publish findings from reviews on our website and use them to guide our education-first approach to supporting charities to avoid compliance issues.

Fraud Fusion Task Force

- In mid-2023 the ACNC became a member of the Fraud Fusion Task Force (FFTF).
- The FFTF is a multi-agency partnership established by the Australian Government in November 2022 and co-led by the NDIA and Services Australia. Its objectives are to prevent fraud by strengthening systems, processes and information sharing between member agencies.
- The ACNC is not a funded member of the FFTF.

MEDIA

By charity

Thorne Harbour Health	• 1 August 2025 – The Australian reports that the organisation is using its DGR status to attract donations for Equality Australia Ltd (which does not currently have DGR status) and that the ACNC has received complaints that the conduit-style arrangement between the two registered charities is unlawful and in breach of the ACNC governance standards.

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AusPath **(Australian Professional Association for Trans Health)**	• 22 August 2025 – The Australian reports that former ACNC Commissioner and two professional bodies representing doctors and nurses are urging the ACNC to revoke the charity's registration.
Australian Jewish Association Tzedekah Inc	• 6 August 2025 – Social media indicating that the Anti-Discrimination Board of New South Wales accepted a formal complaint of racial and religious vilification against the charity and the Australian Jewish Association (not a registered charity).

s 47E(d)

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s 47E(d)	
Plymouth Brethren Christian Church	• 15 September 2025 – Four Corners investigative report • 7 September 2025 – The Sydney Morning Herald reports on women who have left the church and one still inside, who have spoken out on their treatment. • 19 May 2025 - The Age reports on the business empire of the Exclusive Brethren and plans for a members-only supermarket in Melbourne. • 28 April 2025 - The Australian reports a former member of the Plymouth Brethren Christian Church, formerly the Exclusive Brethren, claims congregants are deployed to volunteer on behalf of Liberal candidates. ABC News and SMH report also. The Age reports the Prime Minister asks why they are campaigning. Meanwhile The Australian reports Labor is facing pressure from religious groups, with the government moving to dispel fears it will reintroduce misinformation laws or work with the Greens on a religious discrimination bill.
Geelong Revival Centre	• 22 July 2025 - Herald Sun reports Geelong Revival Centre being sued by former member over child sex abuse from senior figures. The Guardian reports Victorian Parliamentary inquiry hears GRC covered up the abuse of nine children by a senior leader. • 12 April 2025 - ABC News reports former members of the Geelong Revival Centre are pushing for religious coercive control laws. • Media about this charity was part of the reason for the establishment of the Victorian Parliamentary Committee Inquiry into the recruitment methos and impacts of cults and organised fringe groups – ACNC made a submission explaining our powers

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Gondwana Rainforest Trust	• The Gondwana Rainforest Trust has come under media and political criticism around allegations of misleading fundraising practices related to land conservation in the Daintree Rainforest. • In particular, the charity has been fundraising to purchase a lot of land that it says is under imminent threat of development. The local council for that parcel of land has said it is zoned for conservation and as such can't be developed. • The charity also ran social media ads to prompt donations that includes imagery of the parcel of land from the 80s and 90s (showing it having been cleared of trees) and images of David Attenborough (who is not affiliated with the charity). These ads have been criticised as false or misleading
Hillsong entities	• 1 August 2025 - News Ltd reports Sydney Hillsong church service hall sold to overseas buyer expected to use property for religious purposes. • 7 May 2025 - News Ltd reports on court proceedings related to the collapse of the Privium company, referring to arrangements with Joii Ltd and links to Hillsong.
North Australian Aboriginal Justice Agency (NAAJA)	• 1 Aug 2025 - ABC reports new National Australian Aboriginal Justice Agency CEO plans to rebuild organisation after long-running instability. • 22 July 2025 - In an interview with ABC, Acting CEO of the North Australian Aboriginal Justice Agency Anthony Bevan criticised NT government over conditions at Palmerston watch house and called for government intervention. Mirage News reports the NT Government disputes the comments. • 10 June 2025 - ABC News reports the North Australian Aboriginal Justice Agency is calling for emergency intervention in the NT justice system, after a second death in custody.
s 47E(d)	
Smart Energy Council	• 10 Sept 2025 - Herald Sun reports Environment Minister Murray Watt accused Queensland state government of putting politics before people with an ideological approach to energy, at a Smart Energy Council event.

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(aka Australian Solar Energy Society Ltd)	• 10 July 2025 - The Australian and reports Smart Energy Council questioned about donations to Labor government during National Press Club address. • 28 April 2025 - Reports on Sky News and in The Australian say Labor is using Smart Energy Council figures to claim the nuclear policy will increase off-budget spending by $600bn. The Courier Mail also reports on the history of Smart Energy Council; its comments on parties and leaders, and quotes Sue Woodward on charities campaigning. The Australian also quotes former ACNC Commissioner Gary Johns and features an op ed by Gary Johns. Sky News again describes the Council's modelling as 'propaganda'. The Australian reports the Coalition has written to the Anti-slavery Commissioner demanding an investigation into the Smart Energy Council and its links to organisations black-listed by the US. • 20 April 2025 - The Australian reports the ALP is facing calls to cut ties with the Smart Energy Council (SEC) after revelations of high executive salaries and links to companies accused of using slave labour. • 21 April 2025 – Australian Financial Review published an op ed examining the SEC's $6b nuclear energy claim bedevilling the Coalition. • 15 April 2025 - The Australian reports the Smart Energy Council has been receiving thousands of dollars from firms blacklisted in the US over slave labour concerns, and has charity status despite donating to the ALP and is responsible for disputed claims about the opposition's nuclear policy. Also covered in • Editorial from The Australian • Op ed by Peta Credlin in The Australian • Sky News article and tv story. • 8 April 2025 - The Australian reports the Coalition has demanded the ACNC investigate whether the Smart Energy Council has breached rules that restrict charities from "promoting or opposing a political party".

By issue or industry

Advocacy and elections	• 30 April 2025 - The Age reports the Victorian Catholic Education Authority has written to school parents, to dissuade them from voting for Greens or independents in seven hotly contested electorates. • 29 April 2025 - The Australian reports the Liberals are urging serious scrutiny of the Bob Brown Foundation over a staff member who is also a Greens candidate. • 18 July 2025 - Australian Association for Research in Education reports significant government backing of charity Australian Education Research Organisation calls into question its independence. • 6 April 2025 - The Age reports a Liberal candidate addressed Xie Xiongming, a high roller linked to the Chinese Communist Party, as

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	"brother" at a recent event. As background, it states the ACNC revoked the charity status of Xie's foundation, which is not connected to the Australian Chinese Charity Foundation, a longstanding charity recognised by the ACNC. • 2 April 2025 - The Australian reports Rainforest Reserves Australia has sought a judicial review of federal Environment Minister Tanya Plibersek's approval of a Queensland wind farm
Education	• 26 June 2025 - The Guardian reports on criticism of tax concessions for private schools, while EducationHQ reports private schools use tax deductible donations to fund facilities rented out for profit. • 26 June 2025 - Australian Financial Review reports Jason Clare has urged MPs to raise leadership and governance concerns about Australian National University with regulators. • 23 June 2025 - Herald Sun reports Victorian private schools pocket $150 million in tax-free donations.
Gaza conflict	• 10 July 2025 - Brisbane Times reports special envoy Jillian Segal proposes antisemitism could see funding stripped from universities and other charities, and Ms Segall distances herself from donations made by husband's family trust to controversial lobby group, Advance Australia.

Other

s 22

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POTENTIAL QUESTIONS

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